

January 9, 1984

LB 218

SENATOR CLARK: Senator Wesely, do you want to take the committee amendments?

SENATOR WESELY: Yes, thank you, Mr. President, members of the Legislature. LB 218 deals with the concept known as "employee pickup" of retirement contributions. It is an option that was created several years ago by the IRS which allows an employer and an employee, if they want to, to have the employer pay the total payments on retirement benefits instead of dividing it between the employee and employer. You end up with the same amount contributed but by doing it this way you don't pay taxes on that contribution until the employee is ready to retire and get his benefit. Essentially it is a situation the IRS provided as an option. It is one that some felt that they wanted to pursue and that is what this legislation does. Now the original legislation dealt with the wide range of public employees in the State of Nebraska and had them all covered by this employee pickup option but in the hearing that we had, several different organizations appeared and said they really didn't want that option provided for and so they wanted out of the bill. So what we did was, in the Retirement Committee, was take everybody out but the judges and that is what the committee amendment in its present form would do. Since that time there has been a couple of groups that would like to be included and I will mention that when the amendment is brought up I guess. Do you want to go to that now?

CLERK: Mr. President, Senator Wesely's amendment is on page 227 of the Journal.

SENATOR CLARK: Senator Haberman, do you want to talk to the amendment?

SENATOR WESELY: What this amendment does is...

SENATOR CLARK: Do you have an amendment to the committee amendments?

SENATOR WESELY: Yes, Mr. President.

SENATOR CLARK: Go ahead.